GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Industries & Commerce Department - Extension of certain incentives under Andhra Pradesh Electronics Policy 2014-20 to M/s. Hareon Solar Power Private Limited for their proposed Multi-crystalline Solar PV Cells manufacturing facility at Atchutapuram, Vishakhapatnam District with an investment of Rs. 1,188 crore, with an employment potential of 1,162 persons – Orders- Issued.

INDUSTRIES & COMMERCE (POLICY & INVESTMENT) DEPARTMENT

G.O.MS.No. 74 Dated: 23-05-2016

Read the following:-

1. From M/s. Hereon Solar Private Limited(HSPL), dt: 29.12.2015; 05.02.2016 & 28.03.2016.
2. Empowered Committee of Secretaries Meeting held on 29.03.2016.
3. State Investment Promotion Board Meeting held on 11.04.2016.
4. G.O. Ms. No. 16, ITE&C (Promotions) Department, Dt:09.09.2014.

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O R D E R:-

In the reference 1st read above, M/s. Hareon Solar Power Private Limited (Partnership firm of M/s Hareon Solar, China and M/s. Dalmia Bharat Group) has informed that they proposed to set-up a manufacturing facility for producing Multi-crystalline Solar PV Cells at Atchutapuram, Vishakhapatnam District. The project will be installed in a phased manner with an investment of Rs. 1,188 crore, with an employment potential of 1162 persons. The initial capacity of plant would be 160 MW and ramped up to an ultimate capacity of 1000 MW in next 3 years and requested for the following incentives /benefits:

(i) External Infrastructure assistance for 33kV dedicated Power line and Waste water discharge pipeline from factory to CETP.
(ii) 50% subsidy on SWACH ANDHRA initiatives
(iii) 50% subsidy on expenses incurred on Quality Certification
(iv) Power cost reimbursement of Rs. 1.50 per unit for 10 years
(v) Water Tariff rebate of 50%
(vi) 100% reimbursement of Stamp duty, Transfer duty & registration fee paid on Sale/Lease deeds
(vii) Capital Subsidy of 10% of total investment upto Rs. 5 Crore
(viii) Interest Subsidy of 5% for 7 years upto Rs. 1 crore per year
(ix) 50% reimbursement of the cost incurred on Skill upgradation training to the employees of AP domicile subject to maximum of Rs. 10,000 per employee
(x) 100% VAT / CST Reimbursement for 10 years up to 100% fixed capital investment
(xi) 100% Exemption of Electricity duty for a period of 5 years
(xii) 25% rebate on Land cost limited to Rs. 10 Lakh per acre
(xiii) Exemption from purview of Statutory Power Cuts and 24x7 uninterrupted power supply
(xiv) 100% reimbursement of Patent filing cost upto Rs. 5 Lakh for domestic &Rs. 10 Lakh for international patents
(xv) 25% reimbursement of Cleaner Production up to Rs. 10 lakh

2. In the reference 2nd read above, the Empowered Committee of Secretaries has discussed the proposal of M/s. Hareon Solar Power Private Limited, and recommended for the grant of certain benefits/incentives to the unit and for the placement of the matter before the SIPB.

(P.T.O)

3. In the reference 3rd read above, the State Investment Promotion Board (SIPB) has examined the proposal of M/s. Hareon Solar Power Private Limited, in detail and decided to extend the following incentives to the 1st phase of the project, by amending the criteria in the Generic package of Incentives extended for Solar Equipment manufacturing industries, by replacing the '250 MW–500 MW' category with '100 MW-500 MW' category with minimum investment of Rs. 100 Crore:

(i) External Infrastructure assistance upto Rs. 3 crore or the actuals, whichever is less from the IIDF funds. The assistance will be directly paid, to the concerned Department executing the work.
(ii) 25% subsidy upto Rs. 50 crore under Swachh Andhra initiatives.
(iii) 50% subsidy upto Rs. 2.00 crore on expenses incurred on Quality Certification
(iv) Power cost reimbursement of Rs. 1.00 per unit for 5 years
(v) 25% rebate in water tariff for a period of 5 years.
(vi) APIIC to provide land on outright sale.
(vii) All other incentives shall be as per the AP Electronics Policy 2014-20.
(viii) For the subsequent investments, the unit will get appropriate incentives as per the Generic Policy for Solar Equipment Manufacturing.

4. Government after careful examination of the recommendations of the State Investment Promotion Board, hereby decided to extend the following incentives to M/s. Hareon Solar Power Private Limited for its 1st phase of the project to set-up a manufacturing facility for producing multi-crystalline solar PV cells at Atchutapuram, Vishakhapatnam District, with an investment of Rs. 1,188 crore, with an employment potential of 1162 persons:

(i) External Infrastructure assistance upto Rs. 3 crore or the actuals, whichever is less from the IIDF funds. The assistance will be directly paid, to the concerned Department executing the work.
(ii) 25% subsidy upto Rs. 50 crore under Swachh Andhra initiatives.
(iii) 50% subsidy upto Rs. 2.00 crore on expenses incurred on Quality Certification
(iv) Power cost reimbursement of Rs. 1.00 per unit for a period of 5 years from Date of Commencement of Commercial Production
(v) 25% rebate in water tariff for a period of 5 years from Date of Commencement of Commercial Production
(vi) APIIC to provide land on outright sale as per the orders issued in this regard.
(vii) All other incentives shall be as per the AP Electronics Policy 2014-20.
(viii) For the subsequent investments, the unit will get appropriate incentives as per the Generic Policy for Solar Equipment Manufacturing.

5. The Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation the Director of Industries, A.P, Hyderabad shall take necessary action, accordingly.

6. The Director of Industries, A.P, Hyderabad shall intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT &
COMMISSIONER FOR INDUSTRIAL PROMOTION

To
The Director of Industries, A.P., Hyderabad.
The Vice Chairman and Managing Director, APIIC, Hyderabad
M/s. Hareon Solar Power Private Limited, through the Director of Industries

(contd..)

Copy to:
The Finance (FMU-REV-IC)Dept.,
The Revenue (CT) Department.
The Revenue (Registration) Department.
The Energy Department.
The Irrigation (Reforms) Dept. .
The Law (H) Department.
The Accountant General, Andhra Pradesh, Hyderabad
The Commissioner of Commercial Taxes, A.P., Hyderabad
The Chairman & Managing Director, APTRANSCO., Hyderabad
The Managing Director, APEPDC Ltd., Visakhapatnam
The Collector and District Magistrate, Visakhapatnam.
The Zonal Manager, Visakhapatnam.
P.S. to Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S. to Secretary to Government & CIP, Industries & Commerce Dept.
SC/SF.

//FORWARDED::BY ORDER//

SECTION OFFICER